March 21, 2002

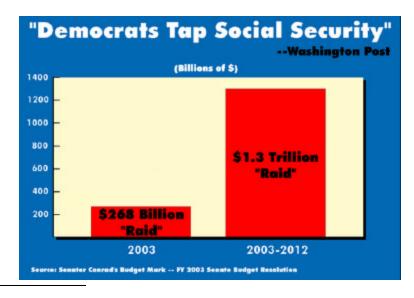
"Senate Democrats Tap Social Security in Budget Plan"

Washington Post, March 21

The above headline from the *Washington Post* says it all. After years of criticizing budget and tax relief plans that "raid" Social Security, the first budget of the new Democrat majority here in the Senate calls for "raids" of record proportions for the rest of the decade. As the *Post* noted:

Senate Democrats, who have frequently criticized President Bush for using excess Social Security receipts to fund other programs, yesterday unveiled a budget plan that would tap Social Security every year for the rest of the decade. They called on the next Congress to solve the problem.

How much does the Democrat budget tap into Social Security? One-point-three trillion dollars over the next ten years. Next year alone, the Democrat budget raids Social Security by \$268 billion, more than the past five years combined. And while the President's budget calls for fully funding the war on terrorism and making permanent last year's tax relief, the Democrat budget conducts this raid while shortchanging defense by more than \$200 billion and allowing for a massive tax increase on working



As has been noted previously, not everybody agrees that budget surpluses/deficits that fall below the Social Security surplus level constitute a raid on the system. Social Security surpluses are invested in Treasury Department securities, as the law dictates, regardless of the status of the on-budget deficit/surplus.

families at the end of the decade.

Compare this performance with the rhetoric of Senator Conrad during questioning of OMB Director Mitch Daniels earlier this year:

A future Congress and a future President are going to be faced with extraordinarily difficult choices, massive increase in taxes, dramatic cuts in benefits, or massive debt. That's where we're headed, and you're not facing up to it in this budget. The President's not facing up to it. Instead, your proposal is to dig the hole deeper -- more tax cuts, more spending. And, I believe history will judge you harshly.

Enough said.

Staff Contact: Brian Reardon 4-3103